

M59-08
13 January 2009

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
ASIAN DEVELOPMENT BANK HELD AT 10:00 A.M. ON 16 DECEMBER 2008**

PRESENT:

PRESIDENT:	Haruhiko Kuroda
VICE PRESIDENTS:	C. Lawrence Greenwood, Jr. Ursula Schaefer-Preuss
DIRECTORS:	Phil Bowen Howard Brown* Curtis S. Chin Md. Saad Hashim Ashok K. Lahiri Marita Magpili-Jimenez* Masakazu Sakaguchi Ceppie K. Sumadilaga Wencai Zhang
ALTERNATE DIRECTORS ACTING FOR DIRECTORS:	Torben Bellers* Richard Edwards Tsuen-Hua Shih Joao Simoes de Almeida
ALTERNATE DIRECTORS:	Md. Aminul Islam Bhuiyan Paul Curry* Fangyu Liu Dereck Rooker-Smith CJ (Stan) Vandersyp Yasuto Watanabe
THE SECRETARY:	Shyam Bajpai

* For part of the meeting.

STAFF:

Office of the Secretary: Roger A. Burston, Assistant Secretary

Office of the General Counsel: Jeremy H. Hovland, General Counsel

Pacific Department: Sultan H. Rahman, Director General; Indu Bhushan, Director, Area B (PAHQ); R. Keith Leonard, Regional Director (SPSO); Hasan Masood, Head, Project Administration Unit (PAHQ); Emma M. Ferguson, Senior Country Specialist (SPSO)

Southeast Asia Department: Jaseem Ahmed, Director (SEGF); Neeraj Jain, Country Director (PHCO); James Nugent, Country Director (IRM); Purnima Rajapakse, Principal Country Specialist (IRM); Joven Z. Balbosa, Economist (Fiscal Management, SEGF)

1.1 The Board considered and approved the Draft Minutes of the Meeting of 8 December 2008 (DOC.DM53-08).

2.1 The Board considered and approved the Draft Minutes of the Meeting of 9 December 2008 (DOC.DM54-08).

3.1 The Board considered DOC.R292-08 and Addendum 1: Proposed Multitranche Financing Facility—Highlands Region Road Improvement Investment Program (Papua New Guinea) and approved the provision of loans under the multitranche financing facility in an aggregate principal amount not exceeding \$400,000,000 equivalent (the facility amount) to Papua New Guinea for the Highlands Region Road Improvement Investment Program comprising:

- (i) loans in various currencies not exceeding the equivalent of \$400,000,000 in Special Drawing Rights from ADB's Special Funds resources, with interest and other terms to be determined in accordance with the then applicable policies relating to Special Funds resources and such other terms and conditions as are substantially in accordance with those set forth in the Framework Financing Agreement presented to the Board, subject to the conditions set out in paragraph 49 of the RRP; and
- (ii) loans in an aggregate amount not exceeding the balance of the facility amount from ADB's ordinary capital resources, with interest and other terms to be determined in accordance with the ADB's London interbank offered rate (LIBOR)-based lending facility and such other terms and conditions as are substantially in accordance with those set forth in the Framework Financing Agreement presented to the Board.

4.1 The Board considered DOC.R293-08: Proposed Asian Development Fund Grant—Improved Financial Management Program (Tuvalu) and approved the grant not exceeding \$3,240,000 to Tuvalu from ADB's Special Funds resources for the Improved Financial Management Program, on terms and conditions that are substantially in accordance with those set forth in the draft Grant Agreement presented to the Board.

4.2 The People's Republic of China abstained.

5.1 The Board considered DOC.R303-08: Proposed Loan—Fourth Development Policy Support Program (Indonesia) and approved the loan of \$200,000,000 to the Republic of Indonesia for the Fourth Development Policy Support Program from ADB's ordinary capital resources, with interest to be determined in accordance with ADB's London interbank offered rate (LIBOR)-based lending facility; a term of 15 years, including a grace period of 3 years; and such other terms and conditions as are substantially in accordance with those set forth in the draft Loan Agreement presented to the Board.

6.1 The Board considered DOC.R304-08 and Corrigendum 1: Proposed Program Cluster, Loan for Subprogram 1, and Technical Assistance Grant—Governance in Justice Sector Reform Program (Philippines) and approved

- (i) the program cluster to the Republic of the Philippines for the Governance in Justice Sector Reform Program; and
- (ii) the loan of \$300,000,000 to the Republic of the Philippines for Subprogram 1 of the Governance in Justice Sector Reform Program cluster, from ADB's ordinary capital resources, with interest to be determined in accordance with ADB's London interbank offered rate (LIBOR)-based lending facility; a term of 15 years, including a grace period of 3 years; and such other terms and conditions as are substantially in accordance with those set forth in the draft Program Loan Agreement presented to the Board.